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MT LEGISLATIVE HISTORY

Chapter 505 1991

Bill H 762 S _____ Original bill & hist. ✓C

H. Committee on Judiciary		S. Committee on Business & Industry	
Hearing Date(s) Feb 19	✓C	Hearing Date(s) Mar 19	✓C
Feb 21	✓C	_____	___C
_____	___C	_____	___C
_____	___C	_____	___C
Date Out Feb 21	✓C	Mar 19	✓C

Did this bill originate in an interim committee? ___Yes ___No

Committee _____ Report _____

	TRANSMITTED TO SENATE		
4/05	FIRST READING		
4/05	REFERRED TO FINANCE & CLAIMS		
4/10	HEARING		
4/13	COMMITTEE REPORT—BILL NOT PASSED		
4/13	ADVERSE COMMITTEE REPORT ADOPTED	30	14

HB 765 INTRODUCED BY RUSSELL, ET AL.

REQUIRE VOTER REGISTRATION FORM BE ATTACHED TO DRIVER'S LICENSE APPLICATION

2/12	INTRODUCED		
2/12	REFERRED TO STATE ADMINISTRATION		
2/12	FIRST READING		
2/12	FISCAL NOTE REQUESTED		
2/18	HEARING		
2/18	FISCAL NOTE RECEIVED		
2/19	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/19	FISCAL NOTE PRINTED		
2/21	PLACED ON CONSENT CALENDAR		
2/23	OBJECTION TO CONSENT CALENDAR FILED		
2/23	2ND READING PASSED AS AMENDED	78	21
2/26	3RD READING PASSED	75	24
	TRANSMITTED TO SENATE		
2/27	FIRST READING		
2/27	REFERRED TO STATE ADMINISTRATION		
3/21	HEARING		
3/21	COMMITTEE REPORT—BILL CONCURRED		
3/23	2ND READING CONCURRED	31	14
3/25	3RD READING CONCURRED	32	14
	RETURNED TO HOUSE		
4/04	SIGNED BY SPEAKER		
4/04	SIGNED BY PRESIDENT		
4/05	TRANSMITTED TO GOVERNOR		
4/09	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 406	EFFECTIVE DATE: 10/01/91	

HB 766 INTRODUCED BY FAGG

INCREASE MAXIMUM JAIL TERM FOR CERTAIN ALCOHOL-RELATED VEHICLE OFFENSES

2/12	INTRODUCED		
2/12	REFERRED TO JUDICIARY		
2/12	FIRST READING		
2/12	FISCAL NOTE REQUESTED		
2/16	FISCAL NOTE RECEIVED		
2/18	FISCAL NOTE PRINTED		
2/21	HEARING		
2/22	TABLED IN COMMITTEE		

HB 767 INTRODUCED BY MEASURE, ET AL.

REVISE LAW GOVERNING RESIDENTIAL TENANTS' SECURITY DEPOSITS

2/12	INTRODUCED		
2/12	REFERRED TO JUDICIARY		
2/12	FIRST READING		
2/19	HEARING		
2/22	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/25	2ND READING DO PASS AS AMENDED MOTION FAILED	50	50
2/25	SEGREGATED FROM COMMITTEE OF WHOLE REPORT		
2/26	2ND READING PASSED AS AMENDED	63	35
2/27	3RD READING PASSED	66	34
	TRANSMITTED TO SENATE		

2/27	REFERRED TO BUSINESS & INDUSTRY		
3/04	FIRST READING		
3/19	HEARING		
3/19	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
3/22	2ND READING CONCURRED	48	0
3/23	3RD READING CONCURRED	47	0
	RETURNED TO HOUSE WITH AMENDMENTS		
4/09	2ND READING AMENDMENTS CONCURRED	93	4
4/10	3RD READING AMENDMENTS CONCURRED	95	4
4/16	SIGNED BY SPEAKER		
4/16	SIGNED BY PRESIDENT		
4/16	TRANSMITTED TO GOVERNOR		
4/20	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 505	EFFECTIVE DATE: 10/01/91	

HB 768 INTRODUCED BY MEASURE, ET AL.
GENERALLY REVISE LANDLORD AND TENANT LAWS

2/12	INTRODUCED		
2/12	REFERRED TO JUDICIARY		
2/12	FIRST READING		
2/19	HEARING		
2/22	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/25	2ND READING PASSED	50	49
2/26	3RD READING FAILED	49	50

HB 769 INTRODUCED BY COCCHIARELLA
CLARIFY CONTINUED PERS MEMBERSHIP FOR EMPLOYEES WHO TERMINATE EMPLOYMENT
BY REQUEST OF BOARD OF PUBLIC EMPLOYEES' RETIREMENT SYSTEM

2/12	INTRODUCED		
2/12	REFERRED TO STATE ADMINISTRATION		
2/12	FIRST READING		
2/18	HEARING		
2/19	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/19	PLACED ON CONSENT CALENDAR		
2/23	3RD READING PASSED	94	5
	TRANSMITTED TO SENATE		
2/25	FIRST READING		
2/25	REFERRED TO STATE ADMINISTRATION		
3/08	HEARING		
3/08	COMMITTEE REPORT—BILL CONCURRED		
3/13	2ND READING CONCURRED	49	0
3/14	3RD READING CONCURRED	48	0
	RETURNED TO HOUSE		
3/20	SIGNED BY SPEAKER		
3/20	SIGNED BY PRESIDENT		
3/20	TRANSMITTED TO GOVERNOR		
3/25	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 162	EFFECTIVE DATE: 7/01/91	

HB 770 INTRODUCED BY GRADY, ET AL.
LICENSE AUCTIONEERS; ESTABLISH BOARD OF AUCTIONEERS TO REGULATE AUCTIONEERS

2/12	INTRODUCED		
2/12	REFERRED TO AGRICULTURE, LIVESTOCK & IRRIG.		
2/12	FIRST READING		
2/12	FISCAL NOTE REQUESTED		
2/16	FISCAL NOTE RECEIVED		
2/18	FISCAL NOTE PRINTED		

CHAIRMAN--BILL STRIZICH
NORMAL SCHEDULE==> SITE: ROOM 312-2 DAYS: M,T,W,T,F TIME: 8:00 A.M.

SECRETARY-JEANNE DOMME

--BILL NO---	REFER DATE---	HEARING DATE---	CONSIDERATION DATES----------	COMMITTEE ACTION----------	REREFERRED TO COMM----	DATE OUT-
HB0735	2/09	2/19		PASS AS AMENDED		2/23
MEASURE, BRUCE			REQUIRE INSURER TO REIMBURSE SPECIFIC CLAIMANTS FOR CERTAIN DAMAGES			
HB0747	2/11	2/19		PASS AS AMENDED		2/21
LEE, THOMAS			PROVIDE ALTERNATIVES TO SENTENCING OFFENDERS TO THE STATE PRISON			
HB0752	2/11	3/08		PASS AS AMENDED		3/15
TOOLE, HOWARD			ESTABLISH A PROCEDURE FOR SUMMARY of MARRIAGE DISSOLUTION ~~PROCEDURE ESTABLISHED~~			
HB0766	2/12	2/21		TABLED ON 02/22		
FAGG, RUSSELL			INCREASE MAXIMUM JAIL TERM FOR CERTAIN ALCOHOL-RELATED VEHICLE OFFENSES			
HB0767	2/12	2/19		PASS AS AMENDED		2/22
MEASURE, BRUCE			REVISE LAW GOVERNING RESIDENTIAL TENANT'S SECURITY DEPOSITS			
HB0768	2/12	2/19		PASS AS AMENDED		2/22
MEASURE, BRUCE			GENERALLY REVISE LANDLORD AND TENANT LAWS			
HB0772	2/12	2/21		TABLED ON 02/21		
RICE, JIM			ABOLISH YOUTH PLACEMENT COMMITTEES			
HB0773	2/12	2/20		PASS AS AMENDED		2/22
STICKNEY, JESSICA			PROVIDE PERSON DETAINED UNDER INVOLUNTARY COMMITMENT STATUTE BE READ RIGHTS			
HB0783	2/12	2/21		TABLED ON 02/21		
FAGG, RUSSELL			APPEAL FROM JUSTICE OR CITY COURT LIMITED TO RECORD AND QUESTIONS OF LAW			
HB0788	2/12	2/15		PASS AS AMENDED		2/20
SCHYE, TED			REVISE MONTANA ABORTION CONTROL STATUTE			
HB0789	2/12	2/19		TABLED ON 02/21		
MEASURE, BRUCE			REVISE PROCESS SERVICE AND LEVYING			

HOUSE BILL NO. 767

INTRODUCED BY MEASURE, HARP, WHALEN, YELLOWTAIL, ECK

IN THE HOUSE

FEBRUARY 12, 1991	INTRODUCED AND REFERRED TO COMMITTEE ON JUDICIARY.
	FIRST READING.
FEBRUARY 21, 1991	ON MOTION, REPRESENTATIVE LEE REMOVED AS COSPONSOR.
FEBRUARY 22, 1991	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 23, 1991	PRINTING REPORT.
FEBRUARY 25, 1991	SECOND READING, DO PASS AS AMENDED. AYES, 50; NOES, 50. MOTION FAILED.
	ON MOTION, SEGREGATED FROM COMMITTEE OF THE WHOLE REPORT AND PLACED ON SECOND READING NEXT LEGISLATIVE DAY.
FEBRUARY 26, 1991	SECOND READING, DO PASS AS AMENDED.
	ENGROSSING REPORT.
FEBRUARY 27, 1991	THIRD READING, PASSED. AYES, 66; NOES, 34.
	TRANSMITTED TO SENATE.

IN THE SENATE

MARCH 4, 1991	INTRODUCED AND REFERRED TO COMMITTEE ON BUSINESS & INDUSTRY.
	FIRST READING.
MARCH 19, 1991	COMMITTEE RECOMMEND BILL BE CONCURRED IN AS AMENDED. REPORT ADOPTED.
MARCH 22, 1991	SECOND READING, CONCURRED IN.
MARCH 23, 1991	THIRD READING, CONCURRED IN. AYES, 47; NOES, 0.

RETURNED TO HOUSE WITH AMENDMENTS.

IN THE HOUSE

APRIL 9, 1991

RECEIVED FROM SENATE.

SECOND READING, AMENDMENTS CONCURRED IN.

APRIL 10, 1991

THIRD READING, AMENDMENTS CONCURRED IN.

SENT TO ENROLLING.

REPORTED CORRECTLY ENROLLED.

HOUSE BILL NO. 767

INTRODUCED BY Hayman HARP Whalen Lee
Yellowtail Erk

A BILL FOR AN ACT ENTITLED: "AN ACT TO GENERALLY REVISE AND AMEND THE LAW GOVERNING RESIDENTIAL TENANTS' SECURITY DEPOSITS; PROVIDING FOR THE ACCUMULATION AND PAYMENT OF INTEREST ON SECURITY DEPOSITS; PROVIDING FOR TIMELY SECURITY DEPOSIT REFUNDS; AMENDING SECTIONS 70-25-101, 70-25-201, 70-25-202, 70-25-204, AND 70-25-206, MCA; AND PROVIDING AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 70-25-101, MCA, is amended to read:

"**70-25-101. Definitions.** As used in this chapter, the following definitions apply:

(1) "Cleaning expenses" means the actual and necessary cost of cleaning done by an owner or his selected representative for cleaning needs not attributable to normal wear brought about by the tenant's failure to bring the premises to the condition it was at the time of renting.

(2) "Damage" means any and all tangible loss, injury, or deterioration of a leasehold premises caused by the willful or accidental acts of the tenant occupying same or by the tenant's family, licensees, or invitees, as well as any and all tangible loss, injury, or deterioration resulting from the tenant's omissions or failure to perform any duty imposed upon the tenant by law with respect to the leasehold.

(3) "Leasehold premises" means the premises occupied by the tenant together with all common areas, recreational facilities, parking areas, and storage facilities to which the tenant has access, as well as all personal property owned or controlled by the landlord the use of which is permitted to the tenant.

(4) "Security deposit" means value given, in money or its equivalent and accrued interest or its equivalent, to secure the payment of rent by the tenant under a leasehold agreement or to secure payment for damage to and cleaning of the leasehold premises. If a leasehold agreement or an agreement incident thereto requires the tenant or prospective tenant to provide or maintain in effect any deposit to the landlord for part or all of the term of the leasehold agreement, the deposit shall be presumed to be a security deposit. A nonrefundable fee or charge for cleaning and damages, no matter how designated, is presumed to be a security deposit."

Section 2. Section 70-25-201, MCA, is amended to read:

"**70-25-201. Security deposit -- deductions authorized therefrom.** (1) Any landlord renting property covered by this chapter may deduct from the security deposit a sum equal to

LC 1089/01

INTRODUCED BILL
HB 767

the damage alleged to have been caused by the tenant, together with a sum equal to the unpaid rent owing to the landlord at the time of such deduction, including rent owed under 70-24-441(3), and a sum for actual cleaning expenses.

(2) At the request of either party, the premises may be inspected within 1 week prior to termination of the tenancy.

~~(2)~~(3) No cleaning charges may be imposed for normal maintenance performed on a cyclical basis by the landlord as noted by the landlord at the time the tenant occupies the space unless the landlord is forced to perform this maintenance because of negligence of the tenant. Additionally, no cleaning charges may be deducted until written notice has been given to the tenant. The notice shall include the cleaning not accomplished by the tenant and the additional and type or types of cleaning which need to be done by the tenant to bring the premises back to its condition at the time of its renting. After the delivery of the notice, the tenant has 48 hours to complete the required cleaning.

~~(3)~~(4) No person may deduct or withhold from the security deposit any amount for purposes other than those set forth in this section."

Section 3. Section 70-25-202, MCA, is amended to read:

"70-25-202. List of damages and refund -- delivery to departing tenant. (1) Every landlord, within 30 days

subsequent to the termination of a tenancy or within 30 days subsequent to a surrender and acceptance of the leasehold premises, whichever occurs first, shall provide the departing tenant with a written list of any rent due and any damage and cleaning charges, brought after the provisions of 70-25-201 have been followed, to the leasehold premises which that the landlord alleges ~~is~~ are the responsibility of the tenant. Delivery of such list shall be accompanied by payment of the difference, if any, between the security deposit and the permitted charges set forth in 70-25-201. Delivery shall be accomplished by mailing the list and refund to the tenant's last-known address or the new address provided by the tenant.

(2) If after inspection there are no damages to the premises, no cleaning required, and no rent unpaid and if the tenant can demonstrate that no utilities are unpaid by the tenant, the landlord shall return the security deposit and any interest due under [section 6] within 7 days."

Section 4. Section 70-25-204, MCA, is amended to read:

"70-25-204. Wrongful withholding of security deposit -- action. (1) Any person who wrongfully withholds a residential property security deposit or any portion thereof shall be liable in damages to the tenant in a civil action for an amount equal to double the sum determined to have been wrongfully withheld or deducted. The attorney's fees

may be awarded the prevailing party at the discretion of the court. The burden of proof of damages caused by the tenant to the leasehold premises shall be on the landlord.

(2) No action may be maintained by a tenant for any amount wrongfully withheld or deducted prior to:

(a) the tenant's receipt from the landlord or his agent of a written denial of the sum alleged to be wrongfully detained;

(b) the expiration of a 30-day period after the termination of a tenancy; ~~or~~

(c) the expiration of a 30-day period after surrender and acceptance of the leasehold premises~~, whichever occurs first~~; or

(d) the expiration of a 7-day period after the landlord has indicated there were no damages to the premises, no cleaning was required, no rent was unpaid, and no utilities were unpaid by the tenant."

Section 5. Section 70-25-206, MCA, is amended to read:

"**70-25-206. Landlord to furnish statement of condition of premises at beginning of lease.** (1) Any person engaged in the rental of property for residential purposes who requires a security deposit shall furnish to each prospective tenant, prior to execution of a lease or creation of a tenancy, a separate written statement as to the present condition of the premises intended to be let~~, as well as~~. At the written

request of the prospective tenant, a copy of the written list of damage and cleaning charges, if any, provided to the tenant of the immediately preceding leasehold agreement for the premises in question must be provided to the prospective tenant.

(2) Each written statement of the present condition of a premises intended to be let shall contain at least the following:

(a) a clear and concise statement of the present condition of the premises known to the landlord or his agent or which should have been known upon reasonable inspection;

(b) if the premises have never previously been let, a statement indicating such fact;

(c) if any damage to the leasehold premises resulting from the immediately preceding leasehold agreement has not been restored, a statement indicating such fact and setting forth such unrestored damage; and

(d) the signature of the landlord or his agent.

(3) Any person engaged in the rental of property for residential purposes who fails to furnish a prospective tenant, prior to the execution of the lease or creation of the tenancy, with a separate written statement of the present condition of the premises intended to be let and, ~~if~~ any upon the written request of the prospective tenant, a written list of damage and cleaning charges provided to the

tenant of the immediately preceding leasehold agreement shall be barred from recovering any sum for damage to or cleaning of the leasehold premises unless he can establish by clear and convincing evidence that the damage occurred during the tenancy in question and was caused by the tenant occupying the leasehold premises or the tenant's family, licensees, or invitees."

NEW SECTION. **Section 6.** **Interest on security deposit.** (1) A person engaged in the rental of property who requires a security deposit shall pay interest on the security deposit from the date of receipt at an interest rate of 4% a year, simple interest, on any tenancy that exists for 6 months or longer, payable through the last full month of the tenancy, if the payment of interest is $5 or more.

(2) Interest accrued on a security deposit for a tenancy that exists for 6 months or longer becomes a part of the security deposit and is subject to the provisions of this chapter pertaining to deductions and returning of the security deposit.

(3) A requirement for the payment of interest is not imposed for a tenancy that does not exist for a period of 6 months or more or when the payment of interest is less than $5.

(4) At the option of the landlord, interest may be paid annually or left to accumulate as part of the security

deposit, provided that interest amounts may not be allowed to accumulate for more than 5 years.

NEW SECTION. **Section 7.** **Codification instruction.** [Section 6] is intended to be codified as an integral part of Title 70, chapter 25, and the provisions of Title 70, chapter 25, apply to [section 6].

NEW SECTION. **Section 8.** **Applicability.** [This act] applies to all tenancies in existence 30 days after [the effective date of this act], and interest begins to accrue on those tenancies 30 days after [the effective date of this act].

-End-

I am also a professional Hawaiian Dancer and I have lost that profession. I am bitter about losing my land in Hawaii. I had to sell may land and I resent, very much, having to do that. Because welfare is not an option for me and honor is everything to me and that is all have left, honor. Because I have chosen to give up the things I love to death to pay my bills. I am here to ask you not to feel sorry for me, because I don't need it and I don't feel sorry for myself. I ask that you re-balance the scale of justice and give me my rights to my day in court and to those people who think the insurance people will pay, I ask you to look at me and tell me who is going to pay. I will be paying for this for the rest of my life. You can't give me back my legs, or everything I have lost, not even the land I had to sell, but you can give me my day in court. That is all that I ask."

Teresa Reardon, MFSE, stated that her association supports HB 653.

Phil Campbell, Montana Employees Association, stated that his association supports HB 653.

Jim Jenson, stated that he is in support of HB 653.

Opponents' Testimony:

Stan Kalectyc, Montana Municipal Insurance Authority, stated that if HB 653 dealt only with legislative immunity he would standing as a proponent to the bill. He stated that he supports SB 154 with some proposed amendments and if the committee decides to go ahead with this bill, he will incorporate the amendments into this bill.

Bill Gianoulias, Acting Chief Defense Counsel - Tort Claims Division, gave written testimony opposing HB 653. **EXHIBIT 6**

Questions From Committee Members: NONE

Closing by Sponsor:

REP. WHALEN stated that HB 653 isn't trying to dissolve all immunity for the legislature. He stated that the laws need to be put back into the state as they were in 1990.

HEARING ON HB 767 & 768
AN ACT TO PROV. TIMELY REFUNDED SEC. DEPOSITS & INTEREST PAY. AN ACT TO PROV. JUST CAUSE IN TERM. LANDLORD-TENANT AGREEMENTS

Presentation and Opening Statement by Sponsor:

REP. MEASURE, HOUSE DISTRICT 6, stated that the purpose of HB 768 is to generally revise the landlord tenant laws that have not been revised for some time. He stated that the purpose of HB 767 is to amend and revise the laws of the residential tenant securities deposits. The landlord-tenant laws and security

deposit laws have been structured bases on property law, which has made it cumbersome for both landlords and tenants. He said that one of the primary purposes for this series of legislative acts is to streamline and allow better access to knowledge of the landlord-tenant relationship.

Proponents' Testimony:

REP. COCCHIARELLA, HOUSE DISTRICT 59, stated that the landlords of Missoula are in support of the bill but are proposing some amendments.

HB 767: page 2, line 10: first and last months rent needs to be clarified. On line 19, the language of non-refundable fee should be removed. On page 5, line 14, the return of the deposit - needs to be extended by three more days for mailing.

HB 768: page 10, line 6, there was a concern by property management people that reasonable time is not given and the control of the cost of the repair is not given to the landlord. On page 15, line 11, the term "necessity" creates problems for property damages for landlords if they want to update the property, who will determine what is a necessity.

Klaus Sitte, Montana Low-Income Coalition, stated that he is an attorney practicing in landlord-tenant cases for 20 years. He stated that both bills help both the landlord and the tenant and felt the bills were good public policy.

Greg Amsden-Gaegeoe, MontPirg, stated that he agrees with the previous testimony. He felt that both bill are very good and represent a good compromise.

Tootie Welker, MAPP, stated that she is in support of HB 767 and HB 768.

Tim Lovely, Missoula Resident and Landlord, stated that he found no problems with the two bills as proposed. He stated that the "just cause" is reasonable and that interest payments to tenants is also reasonable. He stated that he has done this in the past and will do so in the future. He urged the committee to support both house bills.

George Marble, Local Housing Authority - Helena, stated that the Housing Authority supports both HB 767 and 768 and submitted four endorsements. **EXHIBIT 7**

Marsha Dias, Montana Low-Income Coalition, stated that she is a home owner and a landlord. She stated that affordable housing has become a terrible problem for low-income people. She stated that most landlords are good landlords and try to provide low-income people with the good landlords. The effort is not trying

to tie the hands of the landlords to be unable to evict their tenants, the sponsors are trying to protect innocent victims of unjust eviction. She asked the committee to support HB 767 and HB 768. She asked that signed petitions from supporters of HB 767 and HB 768 be entered into the record. **EXHIBIT 8**

Marcia Schreder, Montana Low-Income Coalition, stated that HB 767 and HB 768 will improve relations between landlords and their tenants. She asked the committee for a favorable consideration to both bills.

Chester Kinney, Montana State Coalition Association, stated that his association supports HB 767 and HB 768.

Mary Smith, Montanans for Social Justice, stated that she is in support of HB 767 and HB 768.

Kellie Patrick, self, supports HB 767 and HB 768.

Mark Good, self, stated that he is in support of HB 767 and HB 768.

Opponents' Testimony:

Jim Mackay, Montana Landlords Association - Great Falls Chapter, stated that he was on the negotiating team for the landlords for the past 4 years. He stated that in 1988 when the landlords broke off negotiations with the tenants, they asked them to start negotiations in 1989 so we had sufficient time to hammer out all the problems. He stated that the objection the Great Falls chapter has is the amount of time that has to be spent filling out the papers for the IRS. He submitted letters of opposition to be submitted into the minutes. **EXHIBIT 9**

Martin S. Behner, President - Western Montana Landlord Association, gave written testimony opposing HB 767 and an amendment for HB 768. **EXHIBIT 10 & 11**

Rhonda Carpenter, Income Property Owners & Managers, gave written testimony opposing HB 767 and HB 768. **EXHIBIT 12**

Jerry Hamlin, self, gave written testimony opposing HB 767 and HB 768. **EXHIBIT 13**

Ken Chilcote, property owner, stated that he opposes HB 767 and HB 768.

Bernard Bissell, Hi-Land Properties - Bozeman, stated that he opposes HB 767 and HB 768.

Martin Heller, Montana Association of Realtors, gave written testimony opposing HB 768. **EXHIBIT 14**

Montana Watts, Mobile and RV Park Owners Association of Montana, gave written testimony opposing HB 767 and HB 768. **EXHIBIT 15**

Brendan Beatty, Montana Association of Realtors, stated that he is opposed to HB 767 and HB 768.

Judy Peterson, Buchanan Enterprises, gave written testimony opposing HB 767 and HB 768. **EXHIBIT 16**

Betty Mathison, Pines Apartments - Great Falls, gave written testimony opposing HB 767 and HB 768. **EXHIBIT 17**

Questions From Committee Members: NONE

Closing by Sponsor: NONE

HEARING ON HB 825
REVISE CONCEALED WEAPON PERMIT LAW

Presentation and Opening Statement by Sponsor:

REP. DAVE BROWN, HOUSE DISTRICT 72, stated that a bill in the last Legislature allowed for permits for carrying a concealed weapon didn't get off the house floor. He stated that the HB 825 is a decent piece of legislation, but he felt it wouldn't make everyone happy. He stated that many people spent a lot of time during the interim to put this bill together based on statutes that seem to be working well. The County Sheriff's Department is where an application is received, the Sheriff will then issue the permit if applicable. The permit is valid for 2 years. The applicant must be 18 years of age or older, a U.S. Citizens, have a valid Montana Driver's License and identification as to whose picture is on the Driver's License, and be a resident of the state of Montana for the last 6 months. Rep. Brown said that the privilege of carrying a concealed weapon will not be denied unless the applicant falls into one of the categories listed in the bill.

Proponents' Testimony:

Clyde G. Byerly, Montana Rifle and Pistol Association, gave written testimony in favor of HB 825. **EXHIBIT 18**

Barry Michelotti, Sheriff - Cascade County, gave written testimony in favor of HB 825. **EXHIBIT 19**

Charles Hughes, Montana Rifle and Pistol Association, gave written testimony in favor of HB 825 along with some proposed amendments. **EXHIBIT 20**

HOUSE OF REPRESENTATIVES

JUDICIARY COMMITTEE

ROLL CALL DATE 2-19-91

NAME	PRESENT	ABSENT	EXCUSED
REP. VIVIAN BROOKE, VICE-CHAIR	✓		
REP. ARLENE BECKER	✓		
REP. WILLIAM BOHARSKI	✓		
REP. DAVE BROWN	✓		
REP. ROBERT CLARK	✓		
REP. PAULA DARKO	✓		
REP. BUDD GOULD	✓		
REP. ROYAL JOHNSON	✓		
REP. VERNON KELLER	✓		
REP. THOMAS LEE	✓		
REP. BRUCE MEASURE	✓		
REP. CHARLOTTE MESSMORE	✓		
REP. LINDA NELSON	✓		
REP. JIM RICE	✓		
REP. ANGELA RUSSELL	✓		
REP. JESSICA STICKNEY	✓		
REP. HOWARD TOOLE	✓		
REP. TIM WHALEN	✓		
REP. DIANA WYATT	✓		
REP. BILL STRIZICH, CHAIRMAN	✓		

EXHIBIT 1
DATE 2-19-91
HB 767 & 768

Helena Housing Authority
OF
Helena, Montana 59601 — 812 Abbey St. — Phone 442-7970

February 1, 1991

Mont Pirg
360 Corbin Hall
Missoula, MT. 59812

Dear Sirs:

Please find enclosed four endorsements for the Montana Landlord's Association/Montana Low Income Coalition bill which modifies the Montana Landlord Tenant Act. You will note that three of the endorsements support those modifications made to Chapter 24 only. Since Housing Authorities are exempt from Chapter 25 so they may comply with Federal Regulations regarding security deposits, two of the Authorities felt uncomfortable supporting something they were exempt from. Another Authority felt that the modifications to Chapter 25 were not in the best interests of the tenants since the landlords would raise the rent to cover the interest paid on security deposits.

The Helena Housing Authority supports the bill as a whole. If possible, please keep us informed regarding the status of the bill. Helena Housing Authority Board Members or Staff may be interested in endorsing the bill verbally when it reaches committee hearings.

Sincerely,

George Marble
Administrative Officer
Helena Housing Authority
406-442-7970

Ex. 7
2-19-91
HB 767 & 768

Helena Housing Authority
OF
Helena, Montana 59601 812 Abbey St. Phone 442-7970

January 24, 1991

The Housing Authority of Helena, Montana, endorses and supports the amendments, clarifications, and modifications to the Montana Residential Landlord and Tenant Act (Chap. 24, Title 70) and the Residential Tenants' Security Deposits Act (Chap. 25, Title 70), as discussed, negotiated, and presented by the Montana Low Income Coalition, Montana Legal Services, Montana Landlord's Association, certain Public Housing Authorities, Senior Citizen's Groups, Tenant Advocate Groups, and others.

Certain modifications proposed for Chapter 24 will allow Public Housing Authorities to fully comply with both Department of Housing and Urban Development Regulations and Montana State Law where to date, compliance with both governing bodies has been impossible due to conflicting regulations and statutes.

S. A. Massman
Executive Director
Helena Housing Authority

Ex. 7
2-19-91
HB 767 & 76

ENDORSEMENT

We, the undersigned, on behalf of our respective groups of landlords and tenants whom we represent, do fully and completely endorse and support the attached amendments, clarification and modification of the Montana Residential Landlord and Tenant Act (Chp. 24, Title 70) and the Residential Tenants' Security Deposits Act (Chp. 25, Title 70). The proposed legislative changes respresent years of discussion, negotiation and compromise. Everyone benefited by the exchange of thoughts, ideas and positions. We firmly believe this package of amendments should be adopted as a whole, without further changes or alterations.

2-19-91

HB 76

Public Housing Authority of Butte, Montana

SILVER BOW HOMES

Curtis and Arizona Streets
BUTTE, MONTANA 59701
Phone 782-6461

SILVER BOW HOMES 3-1
ROSALIE MANOR 3-2
ELM STREET 3-3
LEGGAT APTS. 3-4

ERNEST R. BURBY
Executive Director

JANUARY 18, 1991

TO WHOM IT MAY CONCERN:

THE PUBLIC HOUSING AUTHORITY OF BUTTE SUPPORTS THE AMENDMENTS FOR MODIFICATION OF THE MONTANA RESIDENTIAL LANDLORD AND TENANT ACT CHAPTER 24, TITLE 70 ONLY, NOT CHAPTER 25, TITLE 70.

ERNEST R. BURBY

Ernest R. Burby

EXECUTIVE DIRECTOR

Ex. 7
2-19-91
HB 747

ENDORSEMENT

We, the undersigned, on behalf of our respective groups of landlords and tenants whom we represent, do fully and completely endorse and support the attached amendments, clarification and modification of the Montana Residential Landlord and Tenant Act (Chp. 24, Title 70) and the Residential Tenants' Security Deposits Act (Chp. 25, Title 70). The proposed legislative changes respresent years of discussion, negotiation and compromise. Everyone benefited by the exchange of thoughts, ideas and positions. We firmly believe this package of amendments should be adopted as a whole, without further changes or alterations.

Ex. 1
2-19-91
HB 767, 768

ENDORSEMENT

We, the undersigned, on behalf of our respective groups of landlords and tenants whom we represent, do fully and completely endorse and support the attached amendments, clarification and modification of the Montana Residential Landlord and Tenant Act (Chp. 24, Title 70) and the Residential Tenants' Security Deposits Act (Chp. 25, Title 70). The proposed legislative changes represent years of discussion, negotiation and compromise. Everyone benefited by the exchange of thoughts, ideas and positions. We firmly believe this package of amendments should be adopted as a whole, without further changes or alterations.

The Missoula Housing Authority endorses (Chapter 24, Title 70) but does not endorse (Chapter 25, Title 70) because it feels that the changes to Title 25 would ultimately lead to higher rents which would hurt low-income families.

Ex. 7
2-19-91
HB 767, 768

ENDORSEMENT

We, the undersigned, on behalf of our respective groups of landlords and tenants whom we represent, [illegible] fully and completely endorse and support the attached amendments, clarification and modification of the Montana Residential Landlord and Tenant Act (Chp. 24, Title 70) and the Residential Tenants' Security Deposits Act (Chp. 25, Title 70). The proposed legislative changes represent years of discussion, negotiation and compromise. Everyone benefited by the exchange of thoughts, ideas and positions. We firmly believe this package of amendments should be adopted as a whole, without further changes or alterations.

The Housing Authority of Billings endorses Chapter 24 of this bill, and has no comment on Chapter 25
Lucy Brown for the Board of Commissioners 1/23/91

Ex. 1
2-19-91
HB 767, 768

ENDORSEMENT

We, the undersigned, on behalf of our respective groups of landlords and tenants whom we represent, do fully and completely endorse and support the attached amendments, clarification and modification of the Montana Residential Landlord and Tenant Act (Chp. 24, Title 70) and the Residential Tenants' Security Deposits Act (Chp. 25, Title 70). The proposed legislative changes respresent years of discussion, negotiation and compromise. Everyone benefited by the exchange of thoughts, ideas and positions. We firmly believe this package of amendments should be adopted as a whole, without further changes or alterations.

Eldon K Pipin — Montana Landlords Assoc by Dick Caldwell MLC on condition Section 70-24-108 is included

Stanley R Brown

Eugene F. "Gene" Thompson — President, Montana Landlords Assoc Chapter Kalispell

Lin Hufstetler — Assistant Director, Mont P.I.R.G.

Marcia Schedin — Montana Low Income Coalition

Marcia Ross — Montana Low Income Coalition

Exhibit 8 contains 9 pages of signed petitions supporting HB 767 & HB 768 . The original exhibit is stored at the Montana Historical Society, 225 North Roberts, Helena, MT 59601. (Phone 406-444-4775)

Exhibit 9 contains 10 pages of signed petitions and 52 letters opposing HB 767 & HB 768. The original exhibit is stored at the Montana Historical Society, 225 North Roberts, Helena, MT 59601. (Phone 406-444-4775)

Ex. 10
2-19-91
HB 767
768

If a 4% interest rate is put on all deposits, the average deposit rate could drop below 4% + until further legislation could be enacted the land owner would be stuck with that 4%. This would increase the book keeping & could cause rent increases plus separate deposits put on utilities. Where at the present time it is included and does not begin to cover all. This will only increase a heavier burden on the resident.

As to the 30 day subsequent notice to be given the resident as to charges and damages and to what it will cost up until they move off of the property you would have no way of knowing what

damages they will do. So how could we give a 30 day notice before they leave and state the charges.

In mobile parks they have hooked fences, electrical lines, sewer & water lines, trees, grass & shrubbery tore them all out of the ground on their way out. In an apartment house or house they can do a lot more damage if they get irrate with you.

The 30 day termination notice with no cause given is better for both parties. If you intend to put this on the rental businesses. What do you intend for the residence to give in return?

To my interest for Grant Depart HB 767

EXHIBIT 10
DATE 2-19-91
HB 767 & 768

The bookkeeping and the disputes arising from this Bill would do what the hidden intent is, NO DEPOSITS.

I would like tax deductions for loss-of-income that this bill will cost me as a landlord.

Everything is geared to the tenant. But who pays the property tax, the state income tax and bond issues?

Also the Federal Covernment would require forms on interest paid to tenants.

The adding sec 4 - C & D Expiration of 7 days is not acceptable

The law today is that deposits be returned in thirty (30) days. This is reasonable for in thirty days, the bills from utility and garbage companies are usually in and the bills and estimates for putting the property back in the shape it was when the tenant took possession can be gathered and prepared.

Martin S. Behner, President
Western Montana Landlords Assoc.

EXHIBIT H
DATE 2-19-91
HB 767 & 768

The law requires the tenant to give a thirty (30) day notice of intent to move, without cause. The landlord also has to give thirty (30) day notice to vacate without cause. Anything else would cloud the issue.

Martin S. Behner, President
Western Montana Landlords Association

Your honorable chairman, representatives Dinsmore, Hewes Judiciary members.

EXHIBIT 12
DATE 2-19-91
HB 767 & 768

As I've told you ~~Again~~ I am RONDA CAMPBELL representing Income Property Owners and Managers Inc. Our membership has also voted to oppose HB 768.

~~I'm in disagreement with~~

Our opposition to this bill is specifically section 10 numbers 4 and 5 which pertain to just cause evictions.

While these changes still allow a landlord to give a 30 day no cause eviction they permit the tenant to go to court and demand the just cause be given.

The survey we spoke with feels that this ~~bill~~ puts an unfair burden on the landlord. Many times the small landlords without secretaries have not documented the dates & times problems they have no substantial "proof" in court. In other cases where we suspect criminal activity there just is no way to prove just cause.

~~landlording is a business~~

The rental industry is a business. I know of no good businessman who would chase away a good customer. Likewise I know of no instance where a landlord has evicted a good tenant. Please leave the law as it is now with a 30 day no cause option and allow good business

this bill also ~~[illegible]~~ awards damages
y unfairly. ~~[illegible]~~ If the landlord is found to
t have a provable just cause he can be liabl
r 3 times the rent, plus court costs, plus
injunctive relief as well as his own attorney
es. If the landlord is found to be in the
ght he is awarded nothing and still must pay
s own attorney fees. As many tenants qualify
r free legal assistance, which I think is right,
puts them in a position of everything to gain
d nothing to lose.

This process once it becomes common knowledge,
es the potential to add hundreds of cases
er year to the already overburdened ~~[illegible]~~ courts.

Although we acknowledge that a lot of work
went into the compromises that make up the
remainder of this bill we ask that you ~~[illegible]~~ table
review bill 768 in order to prevent the addition
of numerous ammendments on the house floor.

If you choose not to ~~[illegible]~~ table this bill a
~~[illegible]~~ buriel please amend out sections 4 and 5
and allow good business sense to be used.

Ex. 12
2-19-91

At the very, very least we ask that you amend the bill so that the landlord, if found to be in the right, could recover his costs. This would make the landlord and the tenant on a more

equal grounds and possibly discourage tenants from filing in the courts.

Again I ask, please kill HB 768.

Thank you.

Ronda Carpenter
Great Falls

Ex. 12
2-19-91
HB 767 & 768

EXHIBIT 15
DATE 2-19-91
HB 767

HB
767

HOUSE OF REPRESENTATIVES

WITNESS STATEMENT

PLEASE PRINT

NAME JERRY HAMLIN BUDGET _____

ADDRESS 2551 TERRWOOD

WHOM DO YOU REPRESENT? SELF

SUPPORT _____ OPPOSE ✓ AMEND _____

COMMENTS:

1) interest is a bookkeeping "nightmare" - we are small no computers

2) inspection 1 week prior to termination is meaningless - duplication of effort - time-consuming

3) I urge this committee not to pass HB 767

4) I am a member of the Mt. Landlords association and I know others who are not in favor of this bill. I question the idea that the "Mt. Landlords" are in favor of this bill. I believe we are not!

5) The definition of "Security Deposit" as a "nonrefundable" fee for cleaning makes no sense. It should be deleted from bill by definition.

HR:1991
CS16

EXHIBIT
DATE 2-19-91
HB 768

HOUSE OF REPRESENTATIVES

WITNESS STATEMENT

PLEASE PRINT

NAME Martin T. Heller BUDGET

ADDRESS 401 N. Benton

WHOM DO YOU REPRESENT? Property owner — MI Assoc. of REALTORS

SUPPORT OPPOSE ✓ AMEND

COMMENTS: My main concerns with HB 768 are twofold:

(1) Section 10, (4) basically takes what is a month to month lease, with each party having the option of giving the other a 30 day notice to terminate such lease, and it turns this into what can now only be classified as a 30 day-month to month lease for the ~~tenant~~ landlord and basically a permanent lease for the tenant. The reasons for "just cause" are so vague and filled with words such as willful, gross, substantial, reasonable, economically feasible, habitual, "close" relatives that it makes the case for a landlord very tenacious to prove just cause. Thus, and in light of the penalties involved, a property owner is restrained in his or her basic right of property ownership.

My 2nd concern is that now because of the difficulty that this new Section would impose upon property owners any knowledgable property owner is going to be very, very selective at the time of renting our Apartment or house. This is going to make it very hard for the 1st time, young renter to find a place. Landlords will demand multiple references, higher security deposits and perhaps co-signers before entering into rental agreements because they will know that once they enter into this tenancy it will be very difficult for them to get out of it. This Section needs to be deleted!

HR:1991
CS16

Feb. 19, 1991

EXHIBIT 15
DATE 2-19-91
HB 767 & 765

Bill Strizich.
Chairman.
House Judiciary Committee.

Testimony by Montana Mobile Park Owners Assoc.
Representative for Montana
Mobile & RV ParkOwners Assoc.
P. O. Box 114
Billings, Montana

We oppose H.B 767 & 765 as it is too discrimitory against the parkowners & rental businesses.

Our deposits usually cover utilities as well as rent. This singles us out to pay interest on deposits. We know of no other business that is made to do this.

EXHIBIT 16
DATE 2-14-91
HB 767 & 768

HB 767

Interest on deposits is just another way to increase the cost of doing business for landlords - not only do we have to pay out this interest but the increase in paperwork for ourselfs or our accountants to type out 1099 Misc + 10.96 transmittal forms. Again the ultimate costs will be passed on to the tenants in higher rents. These costs will, in many cases, be higher than the ~~the low income collection~~ of interest being ~~re~~

This bill was introduced because we are told we landlords are using the tenants moneys for our properties + therefore they deserve something in return. On the other hand we landlords have mortgages, taxes, repairs, insurance, pay + to be at the beck + call of our tenants 24 hr a day - 7 days a week. "Normal wear + tear"

Exhibit # 16
2/19/91 HB 767,768

carpeting, plumbing, roofs, trees, ~~etc~~ lesters parking lot is endless.
It all comes out of the landlords pocket.

I feel that most landlords try hard to provide safe, decent housing for their tenants — why ~~create~~ increase their cost of doing business even more with this bill ~~law~~ ??

Please reject this ~~law~~ entire bill or it penalizes yet another Montana Industry.

We are also told that other states pay interest on deposits + they have no problem - it doesn't hurt them - whatever increases the cost of business hurt. it brings to mind the old ~~saying~~ adage - if your brother jumps off the cliff - do you jump too

opposed

Judy Peterson
Ent
Buchanan
761-0372
mt.
Great Falls

530 units in mt.

SPECTRUM

Exhibit # 16
2/19/91 HB 767, 768

HB 768 -

The just cause section on page 13 - item 4 + 5 + a thru f are very unfair + will only hurt many landlords especially the elderly property owners. Landlords do not evict tenants for no reason at all as the low income coalition would have you believe. We can't make a living from vacancies, so are also business people + that would be detrimental to our businesses. The only people who will benefit from passing this bill would be lawyers (for the property owners) as the low income renters get free legal help. This bill will tie up the courts with costly legislation + many landlords will sell or cease renting their [illegible] then will be sued by a disgruntled

Exhibit # 16
2/19/91 HB 767, 768

ood Tenants will also have to live side by
undesirable
side with ~~bad~~ tenants as landlords will
undesirable
be afraid to evict the ~~bad~~ tenants, ~~the~~
because of lengthy - costly court proceedings
Rents will have to be increased to cover the
costs of evicting these undesirable tenants.
It puts the burden of proof on the landlord.
This law can have no other effect
than to tie the hands of yet another
montana industry.

I therefor would ask that you
kill this entire bill or at least strike
the section from this bill.

opposed
Jody Peterson
Buckhorn Ent.
761-0372
Bozeman

30 units
or mt.

OPPOSE

EXHIBIT 11
DATE 2-14-91
HB

HB 768 & HB 767

In Calif., where many of these laws originate, they are having second thoughts on the value of these laws. Many rental units have been converted to condominiums and investors are becoming unwilling to invest their money in rental property because of the much possible litigations. This is creating a shortage of rental units in the areas where they are most needed. Owners of rental property will find it difficult to find a buyer if they want to retire or leave the rental business. One rental property owner in Great Falls has sold his rentals. He states that he is just tired of the laws. Passage of HB 767 + 768 would add to that already existing laws. We need to encourage investment, not discourage it.

Betty Mathison
Rimrock Apartments
Great Falls, MT.

82 Units

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

1064

House Judiciary COMMITTEE BILL NO. HB# 767

DATE 2-19-91 SPONSOR(S) Rep. Measure

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Bernard C. Bissell	Bozeman, MW. Ni-Land Properties.		✓
J J Mackay	Gt Falls Chamber of Com		✓
Richey Linafelter	Gt Falls Land Title		✓
Tom Hopgood	MT. Assoc. Realtors		✓
Montana R. Martin	Montana Mobile Court & RVPA		✓
John Welker	MAA	✓	
Maxine Eggebrecht	Montana Mobile Courts		✓
Edward Eggebrecht	" "		✓
Glen C. Watts	Montana Mobile Court		✓
Ronda Carpenter	IPM's Income Property Owners & Mngrs		✓
Brendan Beatty	MT Assoc. of Realtors		✓
Phyllis Carpenter Gt Falls	Income Property Owner + Mngr		✓
Marlin Wilke	Property Owner		✓
Ruth Wilke	Property Owner		✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

House Judiciary COMMITTEE BILL NO. HB 767

DATE 2-19-91 SPONSOR(S) Rep Measure

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Jerry Hamdorf Helena, Mt.	Property owner		✓
Nels Seeley	Property owner		✓
Martin T. Heller	Property Owner		✓
Marlin Wilke	Property Owner		✓
Ruth Wilke	Property Owner		✓
Marcia Vehrs	Montanans for Social Justice	✓	
	Montana Low Income Coalition	✓	
Martin Beliveau	Property owner		✓
Lou Chilcote	property owner		✓
Elaine Chilcote	" "		✓
Judy Peterson	Property rgt.		✓
Jennifer Otten	F PM		✓
Betty Mathisen	Income Property Owner		✓
Dan Watson	Property Owner		✓
[illegible]	Income property owner	✓	

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

House Jud. COMMITTEE BILL NO. HB 767

DATE 2-19-91 SPONSOR(S) Rep Measure

PLEASE PRINT **PLEASE PRINT** **PLEASE PRINT**

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
BRAD MARTIN Bozeman 59715	MONT PIRG	✓	
GREG AMSDEN-HAEGELE 320 COMBS MSU 59717	MONT PIRG	✓	
TIM LOVELY	Self	✓	
Jim Jensen	Self-Property Owner	X	
Marcia Dies	MAIC	X	
Steve Maudeville	Self		X
Klaus Sitte	MLIC	X	
Brent Cromley	self	✓	
Kristin Page	Mont PIRG	✓	
Ann Prunske	MAPP	✓	
Shawn Gunshaw	MAPP	✓	
Tamara Blank	MAPP	✓	
Tom Hopgood	MT Assoc Realtors		✓
Doreen Saunders	Battle Community Vision	✓	✓

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

X Beverly Wiegstrom Richard Olgeim Montana Ass'n of Realtors ✓
Kellie Patrick Self
MT Public Interest Citizen Coalition ✓

HOUSE OF REPRESENTATIVES
VISITOR REGISTER

House Judiciary COMMITTEE BILL NO. HB 767

DATE 2-19-91 SPONSOR(S) MEASURE

PLEASE PRINT PLEASE PRINT PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	SUPPORT	OPPOSE
Carol Brien	Helena Indian Alliance	X	
Marian G. French	M. S. J. of Helena	X	
Chris Chapman	Montanans for Social Justice	X	
Mary Smith	" " "	X	
Paul Coppins	self	X	
Dan Rubick	Butte Community Union	X	
Connie O'Connor	Helena Indian Alliance	X	
Sheila Hunter	Self	X	
Chester Kenney	MSC+	X	
Romeo Ranieri	G.F.		X

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

VOTE: Motion carried.

MOTION/VOTE: **REP. WHALEN** moved HB 735 DO PASS AS AMENDED. Motion carried with **REPS. GOULD, CLARK, JOHNSON, BOHARSKI** voting no.

EXECUTIVE ACTION ON HB 767

MOTION: **REP. MEASURE** moved HB 767 DO PASS.

MOTION: **REP. MEASURE** moved the amendments for HB 767

John MacMaster said on page 2, line 19, the word non-refundable will be taken out. **EXHIBIT 12**

Discussion:

REP. MEASURE said the amendments were concerns of Rep. Cocchiarella. They felt the amendments would resolve any problems.

VOTE: Motion on the amendments carried unanimously.

MOTION: **REP. MEASURE** moved the Bill as amended.

REP. R. JOHNSON moved an amendment to strike Section 6.

Discussion:

VICE CHAIR BROOKE asked if the amendments could include that all references to Section 6 in the Bill would be deleted. **REP. R. JOHNSON** said yes.

REP. MEASURE said the tenants would consider that a friendly amendment. That is the language that is in the present law to require a tenant to maintain the dwelling. **REP. R. JOHNSON** said he thought it was the interest on the security clause. **VICE CHAIR BROOKE** told Rep. Measure they were on HB 767. **REP. MEASURE** said the interest on the security deposit affects the individual with a large number of properties to manage. He is opposed to it, but if it is the only way to pass the bill, he'll agree. **REP. R. JOHNSON** said the people he was concerned with are the people who don't have many units. They testified vehemently that the Bill would be a chore. He would like to eliminate the Bill. **Vice Chair Brooke** said she wondered if there is way to put in a minimum limit of that security deposit and after that limit has been exceeded then the interest would be returned.

REP. BOHARSKI said it won't affect the tenants.

REP. MEASURE said it was a trust situation. Landlords are using it for many reasons. This Bill states the money does not belong to the landlord. It is a trust obligation to the funds. They should pay some interest on it because they are drawing some

interest on it. They don't have a right to spend it. They are to hold it in trust.

REP. KELLER asked to clarify the voting. **VICE CHAIR BROOKE** said it was Rep. Johnson's amendment to delete Section 6 and all references to Section 6 in the Bill.

VOTE: Motion on R. Johnson's amendment failed 8-11. **EXHIBIT 13**

MOTION: REP. MEASURE moved HB 767 DO PASS AS AMENDED.

REP. CLARK said the testimony of one of the proponents indicated that the cost will not be paid by the landlord. The rent would go up.

REP. MESSMORE asked about the floor. **REP. MEASURE** said there had been a good consensus of landlords and people in the state. He thinks it is good legislation. **REP. MESSMORE** said she had received 35 comments from Great Falls indicating that was not the case. She didn't know if that was the case in all places.

REP. WHALEN said it would never come together in all places. Montana low income coalition worked on it for years. Great Falls landlords didn't make it to the meetings in the last two years and that was their fault. **REP. MESSMORE** said they did make it to the meetings. There was no ultimate resolution.

VOTE: Motion on HB 767 DO PASS AS AMENDED 11-9. **EXHIBIT 14**

EXECUTIVE ACTION ON HB 768

MOTION: REP. MEASURE moved HB 768 and the amendments. The amendments on page 15, line 11 strike "the necessity of". **EXHIBIT 15**

VOTE: Motion on the amendment carried unanimously.

MOTION: REP. MEASURE moved the Bill as amended.

Discussion:

MOTION: REP. WYATT moved a Substitute Motion to have an amendment which is to delete the Sections 10S. Page 13, line 19 strike all fellows down to page 16, line 5 the computation. All of Section 10 would be deleted. **Mr. MacMaster** said under this motion there won't be any amendments.

REP. BECKER said she would oppose the amendment. This is the main thrust.

REP. MESSMORE said she spoke in favor of Rep. Wyatt's motion in that there was ample testimony on the part of landlords that this section will tighten the amendments.

HOUSE OF REPRESENTATIVES

JUDICIARY COMMITTEE

ROLL CALL EXEC ACTION / HEARINGS DATE 2-21-91

NAME	PRESENT	ABSENT	EXCUSED
REP. VIVIAN BROOKE, VICE-CHAIR			
REP. ARLENE BECKER	/		
REP. WILLIAM BOHARSKI	/		
REP. DAVE BROWN			/
REP. ROBERT CLARK	/		
REP. PAULA DARKO	/		
REP. BUDD GOULD	/		
REP. ROYAL JOHNSON	/		
REP. VERNON KELLER	/		
REP. THOMAS LEE	/		
REP. BRUCE MEASURE	/		
REP. CHARLOTTE MESSMORE	/		
REP. LINDA NELSON	/		
REP. JIM RICE	/		
REP. ANGELA RUSSELL	/		
REP. JESSICA STICKNEY	/		
REP. HOWARD TOOLE	/		
REP. TIM WHALEN	/		
REP. DIANA WYATT	/		
REP. BILL STRIZICH, CHAIRMAN	/		

4:50
2-21-91
TDT

HOUSE STANDING COMMITTEE REPORT

February 21, 1991

Mr. Speaker: We, the committee on Judiciary report that House Bill 767 (first reading copy -- white) do pass as amended .

Signed: _____
Bill Strizich, Chairman

And, that such amendments read:

1. Page 2, line 19.
Strike: "nonrefundable"

2. Page 3, line 19.
Following: "cleaning."
Insert: "If notice is mailed by certified mail, service of the notice is considered to have been made 3 days after the date of the mailing."

3. Page 5, line 14.
Strike: "7-day"
Insert: "10-day"

4. Page 5, line 22.
Page 6, line 20.
Strike: "prospective"

5. Page 6, lines 1, 4, and 24.
Strike: "prospective"

EXHIBIT 12
DATE 2.21.91
HB 767

Amendments to House Bill No. 767
First Reading Copy

Requested by Rep. Measure
For the Committee on the Judiciary

Prepared by John MacMaster
February 19, 1991

1. Page 2, line 19.
Strike: "nonrefundable"

2. Page 3, line 19.
Following: "cleaning."
Insert: "If notice is mailed by certified mail, service of the notice is considered to have been made 3 days after the date of the mailing."

3. Page 5, line 14.
Strike: "7-day"
Insert: "10-day"

4. Page 5, line 22.
Page 6, line 20.
Strike: "prospective"

5. Page 6, lines 1, 4, and 24.
Strike: "prospective"

EXHIBIT 13
DATE 2-21-91
HB 761

HOUSE OF REPRESENTATIVES

JUDICIARY COMMITTEE

ROLL CALL VOTE

DATE 2-21-91 BILL NO. HB#761 NUMBER

MOTION: Johnson Amendment to strike section 6. Fails

NAME	AYE	NO
REP. VIVIAN BROOKE, VICE-CHAIR		✓
REP. ARLENE BECKER		✓
REP. WILLIAM BOHARSKI		✓
REP. DAVE BROWN	✓	
REP. ROBERT CLARK	✓	
REP. PAULA DARKO		✓
REP. BUDD GOULD	✓	
REP. ROYAL JOHNSON	✓	
REP. VERNON KELLER	✓	
REP. THOMAS LEE	✓	
REP. BRUCE MEASURE		✓
REP. CHARLOTTE MESSMORE	✓	
REP. LINDA NELSON		✓
REP. JIM RICE		✓
REP. ANGELA RUSSELL		✓
REP. JESSICA STICKNEY		✓
REP. HOWARD TOOLE		✓
REP. TIM WHALEN		✓
REP. DIANA WYATT	✓	
REP. BILL STRIZICH, CHAIRMAN		✓
TOTAL	8	11

EXHIBIT #
DATE 2.21.91
HB 767

HOUSE OF REPRESENTATIVES

JUDICIARY COMMITTEE

ROLL CALL VOTE

DATE 2-21-91 BILL NO. HB# 767 NUMBER

MOTION: Measure DPA

NAME	AYE	NO
REP. VIVIAN BROOKE, VICE-CHAIR	/	
REP. ARLENE BECKER	/	
REP. WILLIAM BOHARSKI		/
REP. DAVE BROWN	/	
REP. ROBERT CLARK		/
REP. PAULA DARKO	/	
REP. BUDD GOULD		/
REP. ROYAL JOHNSON		/
REP. VERNON KELLER		/
REP. THOMAS LEE		/
REP. BRUCE MEASURE	/	
REP. CHARLOTTE MESSMORE		/
REP. LINDA NELSON	/	
REP. JIM RICE	/	
REP. ANGELA RUSSELL	/	
REP. JESSICA STICKNEY	/	
REP. HOWARD TOOLE	/	
REP. TIM WHALEN	/	
REP. DIANA WYATT		/
REP. BILL STRIZICH, CHAIRMAN		/
TOTAL	11	9

to that, they have a filing cost. That fee is equal to the cost of providing this service. It is a minimal fee if you consider corporate annual reports cost ten dollars every year, here we have a fifteen dollar fee every five years.

Senator Gage mentioned that there is nothing in the bill that says that the fee is fifteen dollars.

Garth Jacobson replied that the fees are set by rule. It was determined that fifteen dollars would be equal with cost. They do not want to make a profit on this, they would just like to cover their costs. If it costs less, then they would charge less.

Closing by Sponsor:

Representative McCulloch closed by saying that he understands the concern about the fee, and will talk with the secretary of state's office to make sure that they aren't making a profit off of it. Senator Jergeson will carry the bill to the floor.

EXECUTIVE ACTION ON HOUSE BILL 629

Motion:

Senator Gage moved to amend HB 629.
Senator Gage moved HB 629 be concurred in as amended.

Discussion:

None

Amendments, Discussion, and Votes:

The amendments proposed by Senator Gage passed 8 to 1 vote.

Recommendation and Vote:

The motion that HB 629 be concurred in as amended passed 8 to 1 vote.

HEARING ON HOUSE BILL 767

Presentation and Opening Statement by Sponsor:

Representative Bruce Measure, sponsor of the bill, stated that HB 767 is an act to revise the landlord tenant security deposit law. The primary focus of the bill is to reduce the number of days that an individual has to wait to receive their security deposit when they move out. Presently it is a thirty day waiting period. The landlord has to provide a list of what

may or may not be wrong with the premises, and the tenant has to clean it up to the landlord's satisfaction. After thirty days the landlord has to refund the entire security deposit if he doesn't note that there is anything wrong with the premises. Under this act, it would limit that to ten days. It is primarily designed for people who are low income, or students. That security deposit is a substantial amount of money for them, and they need that money to rent the next house that they move into.

Proponents' Testimony:

Klaus Sitte, representing the Montana low income coalition, stated that he has had twenty years of practice as a landlord, tenant lawyer. What is before you is a significant amount of proposed legislation to make changes in the landlord, tenant laws over the last two years. What is left is a small section that's designed to provide a more equitable treatment of the security deposit money. Landlords that are prone to withhold the security deposits tend to stretch the limit of the amount of time that they can actually withhold that amount of security deposit. The purpose of the security deposit money is to ensure protection for the landlord.

Greg Amsoen-Haelele, assistant director of the Montana public interest research group (PIRG), stated that he has manned a consumer hotline for the past three years, and handled over two thousand calls of landlords and tenants to help them resolve problems. We need to put the process by which security deposits are refunded in perspective. The landlord needs to determine if the tenant left the premises in good condition, whether or not the tenant is caught up on utility payments, and rent payments. The landlord does that in this bill by going to the premises within seven days of the termination date.

Marcia Schreder, president of Montanan's for social justice a low income group in Helena, Montana, stated that the difficulty for low income renters to find affordable housing in the tight housing market is compounded by the difficulty of lack of speedy return of security deposits from a former landlord. If a tenant has given proper notice to vacate, a landlord has had thirty days to collect the security deposit if the money has been invested or used in some other way. The security deposit money is the tenants money to be held in a sort of trust. She sees no reason why the tenant could not get their security deposit immediately after the landlord inspects the premises. Low income people have no backup money until their security deposit is released. It is vital they get their security deposit back as soon as possible.

Tootie Welker, representing the Montana alliance for progressive policy (MAPP), stated that HB 767 is a fair bill. To wait thirty days to return a security deposit, it is an unfair hardship for low income people as well as moderate income people. Most income people are barely surviving on their income, how then are they going to save up enough money for an additional security deposit while they are waiting the thirty days for the other to be returned?

Brendan Beatty, representing the Montana association of realtors, proposed some amendments (See Exhibit 3).

Marsha Dias, representing the Montana low income coalition, stated that most small property owners claim that they return deposits immediately when there was no damage to the property. While landlords are holding our deposits, tenants are being displaced, sometimes homeless. She knows of many mothers who have come into her office with small children who have had to temporarily sleep in cars while waiting for the return of their security deposit.

Helen McKnight, representing the Montana senior citizens, stated that she is in full support of this bill. It is especially not fair for the landlord to keep the security deposits for thirty days.

Opponents' Testimony:

Dan Wood, president of the Bozeman, Montana landlord's association, spoke in opposition of the bill (See Exhibit 4).

Larry Witt, representing the Bozeman, Montana landlord's association, stated that he was here to oppose the interest, but as Senator Lynch stated the interest part of the bill will be stricken.

Viola Meade, representing income property owners and managers here on behalf of their president Judy Peterson who could not attend today. We have received word from Eldon _____ in Florida that he has withdrawn his support of this bill. Eldon _____ is president of the Montana landlord's association for Montana. This bill will be very costly and detrimental to the rental investor.

Martin Behner, president of the western Montana landlord's association, stated that before we had deposits, the places were left dirty and you had to clean up somebody else's mess. The deposit ensures that you get your place in the same condition that you left it. Garbage pickup is the biggest problem, and he feels that there should be something in the bill that addresses it.

Martin Wilke, representing the Great Falls landlord association, stated that their main interest in opposing this bill was the interest section, and that is going to be stricken. The notice of mail part of the bill page three, section two, lines eighteen through twenty two, means a loss of five days rent.

Questions From Committee Members:

Senator Franklin asked if Martin Wilke felt comfortable with the thirty days to respond or to send out for damages.

Martin Wilke replied that he was comfortable with that.

Representative Measure stated that the only reason that he agreed to the ten day period is because it is uniform within the law.

Closing by Sponsor:

Representative Measure closed.

EXECUTIVE ACTION ON HB 767

Motion:

Senator Hager moved to amend HB 767 by taking out the interest on page two, line 11.

Senator Noble moved to amend HB 767 on page four, line twenty one, by changing the seven days to ten days.

Senator Gage made a substitute motion to amend HB 767 on page five, line seventeen be stricken to make it seven days.

Senator Kennedy moved that HB 767 be concurred in as amended.

Discussion:

None

Amendments, Discussion, and Votes:

The motion by Senator Hager to amend HB 767 passed unanimously.

Senator Thayer stated in regards to the substitute motion made by Senator Gage that a lot of negotiation has gone into come up with a bill that everybody can live with. In the legislative process, you just don't always get everything that you want. In the interest of a fair bill for all parties, we should leave the language alone.

The substitute motion made by Senator Gage failed by 6 to 2 vote.

The motion to amend from seven to ten days made by Senator Noble passed unanimously.

Recommendation and Vote:

The motion made by Senator Kennedy that HB 767 be concurred in passed unanimously. Senator Lynch to carry the bill to the floor.

EXECUTIVE ACTION ON HOUSE BILL 260

Motion:

Senator Hager moved that HB 260 be concurred in.

Senator Noble made a substitute motion to amend HB 260 proposed by blue cross blue shield.

Senator Noble withdrew his substitute motion to amend HB 260.

ROLL CALL

BUSINESS AND INDUSTRY COMMITTEE

DATE 3/19/91

52ND LEGISLATIVE SESSION

NAME	PRESENT	ABSENT	EXCUSED
SENATOR BRUSKI	X		
SENATOR FRANKLIN	X		
SENATOR GAGE	X		
SENATOR HAGER	X		
SENATOR NOBLE	X		
SENATOR THAYER	X		
SENATOR WILLIAMS	X		
SENATOR KENNEDY	X		
SENATOR LYNCH	X		

Each day attach to minutes.

DATE 3/19/91

COMMITTEE ON BUSINESS & INDUSTRY

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One: Support	Check One: Oppose
Gordon Nelson	Self	NB260 w/amendments; HB767 w/amendments	✓	
Brendan Beatty	MT Assoc of Realtors	HB767	✓	
Martin Behrens	Western Mont Landlords	HB767		✓
Ann Silkey	DFS	HB260	X	
Lorn L. Fischer	IPMS Gt. Falls	HB767		✓
BETTY BAY	D.F.S	HB260	X	
Linda Meade	IPMs Gt. Falls.	767		✓
Verna Kessner	Self & my tenants	767		✓
Marlin Wilke	Gt Falls Mt. Landlords	767		✓
M. Kent Wilke	Gt Falls MT Landlords	767		✓
Dorothy Schmidt	IPM gt. Falls	767		✓
Kristin Page	MontPIRG	767	✓	
John A. Stinson	IPM Gt Falls	767		✓
Larry Witt	MT. Landlords Assn	767		✓
Tanya Ask	Blue Cross & Blue Shield	260		✓
Marcia Schneider	Montanans for Social Justice	767	✓	
Helen McKnight	" " "	"	✓	
Klaus D. Sittel	Mont. Low Inc. Coalition	767	✓	
Jerry Ann Monroe	SELF	767		✓
GREG ANSOEN-HAEGELE	MONTANAPIRG	767	✓	
Kurt Kessner	GT FALL LAND LORD	767		✓
Paul R. Steen	GT. FALLS LANDLORD	"		✓
Tom Hopgood	Mt. Assoc Realtors	HB767		✓
	Hlth Ins. Assoc America	HB260		✓
LARRY AKEY	MT ASSOC OF LIFE UNDERWRITERS	HB260		✓
Garth Jacobson	Sec of State	HB629	✓	

DATE

COMMITTEE ON

VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Rebecca M. Jones Becca Jones	Shodair Hospital	HB 260	✓	
Malcolm Soap	Malcolm Soap	HB367		✓
Tootie Welker	MAPP	HB3767	✓	
John A Stinson	Self	HB260	✓	
Don Wood	Bzn. Landlordsassn.	HB767		✓

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 19 day of March, 1991.

Name: Helen McKinstry

Address: 638 Sparta

Telephone Number: 442-7874

Representing whom?

Montanans for Social Justice

Appearing on which proposal?

HB. 767

Do you: Support? ✓ Amend?____ Oppose?____

Comments:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 19 day of March, 1991.

Name: Brendan Beatty

Address: 208 N. Montana #105

Telephone Number: 443-4032

Representing whom?

MT Assoc. of Realtors

Appearing on which proposal?

HB 767

Do you: Support? X Amend?____ Oppose?____

Comments:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 19 day of March, 1991.

Name: Marcia Schuler

Address: 1216 Butte, Helena

Telephone Number: 449-3140

Representing whom?

Montanans for Social Justice

Appearing on which proposal?

HB 767

Do you: Support? X Amend?____ Oppose?____

Comments:

The difficulty for low income renters to find affordable housing in the tight housing market is compounded by the difficulty of lack of speedy return of security deposits from a former landlord. If a tenant has given proper notice to vacate, a landlord has had 30 days to collect the security deposit if the money has been invested or used in some other way. Remember, the security deposit money is the TENANT'S money to be held in a sort of trust. I see no reason why a tenant could not get their security deposit immediately after the landlord inspects the premises. Low-income people have no "backup" money until their security deposit is released so it is vital they get their SD back as soon as possible.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

MONTANA ASSOCIATION OF REALTORS®

The Voice for Real Estate™ in Montana

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 3
DATE 3/19/91
BILL NO. H-B 767

EXECUTIVE OFFICES
208 North Montana, Suite 105
Helena, MT 59601

Telephone 406 443-4032
In Montana 800-421-1864
Fax 406 443-4220

SUGGESTED AMENDMENTS FOR HOUSE BILL 767
SENATE BUSINESS AND INDUSTRY COMMITTEE
3/19/91

1. Page 2, line 11:
Following: "equivalent" on line 11
Strike: "and accrued interest or its equivalent,"

2. Page 2, line 22:
Strike: "(5) "YEAR" MEANS A CONSECUTIVE 12-MONTH PERIOD."

3. Page 4, line 21:
Strike: "and any interest due under (section 6)"

4. Page 8, lines 13 through 15:
Following: "act)," on line 13
Strike: "and" on line 13 through the remainder of lines 13 through 15.

REALTOR® is a registered collective membership mark which may be used only by real estate professionals who are members of the NATIONAL ASSOCIATION OF REALTORS® and subscribe to its strict Code of Ethics.

WITNESS STATEMENT

To be completed by a person testifying or a person who wants their testimony entered into the record.

Dated this 19 day of March, 1991.

Name: Marcia Schulz

Address: 1216 Butte, Helena

Telephone Number: 449-3140

Representing whom?

Montanans for Social Justice

Appearing on which proposal?

HB 767

Do you: Support? X Amend?____ Oppose?____

Comments:

The difficulty for low income renters to find affordable housing in the tight housing market is compounded by the difficulty of lack of speedy return of security deposits from a former landlord. If a tenant has given proper notice to vacate, a landlord has had 30 days to collect the security deposit if the money has been invested or used in some other way. Remember, the security deposit money is the TENANT'S money to be held in a sort of trust. I see no reason why a tenant could not get their security deposit immediately after the landlord inspects the premises. Low-income people have no "back-up" money until their security deposit is released so it is vital they get their SD back as soon as possible.

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY

SENATE STANDING COMMITTEE REPORT

March 19, 1991

MR. PRESIDENT:

We, your committee on Business and Industry having had under consideration House Bill No. 767 (third reading copy -- blue), respectfully report that House Bill No. 767 be amended and as so amended be concurred in:

1. Page 2, line 11.
Strike: "and accrued interest or its equivalent"

2. Page 2, line 22.
Strike: "(5) "YEAR" MEANS A CONSECUTIVE 12-MONTH PERIOD."

3. Page 4, line 21.
Strike: "and any interest due under [section 6]"
Strike: "7"
Insert: "10"

4. Page 8, lines 13 through 15.
Strike: "," on line 13 through "]" on line 15

Signed: _____
John "J.D." Lynch, Chairman

3-15-91
Amd. Coord.

3/19
Sec. of Senate

ROLL CALL VOTE

SENATE COMMITTEE BUSINESS AND INDUSTRY

Date 3/19/91 Bill No. HB 767 Time 10 a.m.

NAME	YES	NO
SENATOR WILLIAMS		
SENATOR THAYER	X	
SENATOR NOBLE	X	
SENATOR HAGER	X	
SENATOR GAGE	X	
SENATOR FRANKLIN	X	
SENATOR BRUSKI	X	
SENATOR KENNEDY	X	
SENATOR LYNCH	X	

DARA ANDERSON — Secretary

J.D. LYNCH — Chairman

Motion: HAGER AMENDMTS MAR - INTEREST

ROLL CALL VOTE

SENATE COMMITTEE BUSINESS AND INDUSTRY

Date 3/19/91 Bill No. HB767 Time 10 a.m.

NAME	YES	NO
SENATOR WILLIAMS		
SENATOR THAYER		X
SENATOR NOBLE		X
SENATOR HAGER		X
SENATOR GAGE	X	
SENATOR FRANKLIN		X
SENATOR BRUSKI		X
SENATOR KENNEDY		X
SENATOR LYNCH	X	

DARA ANDERSON
Secretary

J.D. LYNCH
Chairman

Motion: AMENDMT- STRIKE 10 DAYS TO 7

ROLL CALL VOTE

SENATE COMMITTEE BUSINESS AND INDUSTRY

Date 3/19/91 Bill No. AB767 Time 10 a.m.

NAME	YES	NO
SENATOR WILLIAMS		
SENATOR THAYER	X	
SENATOR NOBLE	X	
SENATOR HAGER	X	
SENATOR GAGE	X	
SENATOR FRANKLIN	X	
SENATOR BRUSKI	X	
SENATOR KENNEDY	X	
SENATOR LYNCH	X	

DARA ANDERSON
Secretary

J.D. LYNCH
Chairman

Motion: AMENDMENT 7 To 10 DAYS

ROLL CALL VOTE

SENATE COMMITTEE BUSINESS AND INDUSTRY

Date 3/19/91 Bill No. HB 767 Time 10 a.m.

NAME	YES	NO
SENATOR WILLIAMS		
SENATOR THAYER	X	
SENATOR NOBLE	X	
SENATOR HAGER	X	
SENATOR GAGE	X	
SENATOR FRANKLIN	X	
SENATOR BRUSKI	X	
SENATOR KENNEDY	X	
SENATOR LYNCH	X	

DARA ANDERSON
Secretary

J.D. LYNCH
Chairman

Motion: Be Concurred In As Amended

Amendments to House Bill No. 767
Third Reading Copy

For the Committee on Business and Industry

Prepared by Bart Campbell
March 19, 1991

1. Page 2, line 11.
Strike: "and accrued interest or its equivalent"

2. Page 2, line 22.
Strike: "(5) "YEAR" MEANS A CONSECUTIVE 12-MONTH PERIOD."

3. Page 4, line 21.
Strike: "and any interest due under [section 6]"
Strike: "7"
Insert: "10"

4. Page 8, lines 13 through 15.
Strike: "," on line 13 through "]" on line 15

Judy Goossen

916 5th Avenue No
Great Falls, MT 59401

Jan

I own rental property
in Great Falls
I would like you to vote

SB 381
HB 161

Thank you
Judy Goossen

2004 5 Ave No.
Great Falls, Mt
March 17, 1991

Senator Jerry Noble
Helena, Mt

Dear Senator Noble:

I am writing to ask you to veto HB 767.

This Bill is very detrimental to landlords -

We have a Legal Rental Unit Law has paid for itself and this Bill Contains Many Clauses which would be impossible to comply with in the time-frame allowed.

Please Veto this Bill.

Yours truly
Helen Henry Baker

Schermele, Inc.
P.O. Box 2443
Great Falls, Montana 59403

Mar 16, 1991

Jerry Noble

Re HB 767

Kill this bill as it is absolutely ridiculous. The paperwork and extra labor in complying with this bill, would not be fair to us as owners, or to the tenant, as we would have to increase our rents to cover costs.

Bernard Lyle Schermele
owner 21 units
Rockwood East Apts
401 30th St So
Gt Falls Mt 59405

Chair Mussmore

Re Bill 767 Vote No

Please vote No on the above Bill. As a member of IPM, this legislation will be detrimental to both renters & landlords. The renters will be forced to pay higher rents to compensate landlords extra bookkeeping.

Sincerely -

C. L Duenberger

29-16 Ave-So

Gt Falls, MT 59405

To Senator Eve Franklin,

I am a small landlord in Great Falls and I am against passage of SB-387 and HB 767. Please vote no on these two bills.

Sincerely,

Dave Huntsberger
314 10th St. S.
Great Falls
761-5863

2004-5 Ave No.
Great Falls. Mt

Senator Eve Franklin
Helena. Mt.

Dear Senator Franklin:

I am writing to urge you to kill HB 767 - a bill that discriminates against Landlords.

There are several clauses in this Bill that would be virtually impossible to comply with.

We have one small Rental unit which we counted on for extra income but with all the Requirements listed are Really impossible to comply with, as the Landlords Rights are being legislated away.

Again please kill HB 767.

Yours truly
Helen + Henry Baker

Grizzly Enterprises

609 23rd St. No.
Great Falls, MT 59401
(406) 771-7601

March 13, 1991

Eve Franklin

The number of rental units owned and operated by Grizzly Enterprises is a total of fifty(50).

It is requested that you vote to kill SB-387 and HB-767 .

Sincerely,
GRIZZLY ENTERPRISES
James T. Price
James T. Price
Partner

Schermele, Inc.
P.O. Box 2443
Great Falls, Montana 59403

March 16, 1991

Eve Franklin

Re: HB 767

Kill this bill as it is absolutly ridiculous. The paperwork and extra labor in complying with this bill, would not be fair to us, as owners or to the tenants, as we would have to increase your rent to cover costs.

Bernard & Ruth Schermele
Owners R1 Unit,
Rimbrook Trailer Ct
401 50th Ave So
Gt Falls Mt. 59405

2004 - 5 Ave No
Great Falls, Mt

Senator Jim Thayer
Helena, Mt.

Dear Senator Thayer

I am writing to urge you to pass HB 767.

This bill contains a clause whereby landlords must pay interest on tenants' security deposits - on an annual basis - putting the deposit in a separate account - Before we found out part of the Deposit had been used for a Bank Service Charge -

It is getting to the point that No Rights - After all it is our investment which is at stake.

Again I urge you to pass HB 767

Yours truly
Helen & Henry Baker

Grizzly Enterprises

609 23rd St. No.
Great Falls, MT 59401
(406) 771-7601

march 1?, 1991

Gene Thayer

The number of rental units owned and operated by Grizzly Enterprises is a total of fifty(50).

It is requested that you vote to kill SB-387 and HB-767 .

Sincerely,
GRIZZLY ENTERPRISES
James T. Price
James T. Price
Partner

Schermele, Inc.
P.O. Box 2443
Great Falls, Montana 59403

Mar 16, 1991

Gene Thayer

Re: H.B 767

Kill this Bill as it is absolutely ridiculous. The paperwork and extra labor in complying with this bill, would not be fair to us, as owners or to the tenants as we would have to raise the rent to cover costs. (21 units)

Bernard & Leslie Schermele
owners 21 units
Northwood East Apts
401 50th St No
Great Falls MT 59405

VERN L. FISCHER
P.O. BOX 1357
GREAT FALLS, MT. 59403
453-2918

MARCH 15, 1991

SENATE BUSINESS & INDUSTRY COMMITTEE;

DEAR DARA ANDERSON, SECRETARY:

SUBJECT: "HB 767"

THIS BILL ORIGINALLY PROVIDED FOR INTEREST ON DEPOSITS, AND AS IT WENT THROUGH THE HOUSE, ALL THE PROBLEMS THAT PAYING INTEREST CREATED BECAME APERIENT, AND THAT PART WAS REMOVED. SOME OF THE PROBLEMS COULD BE TAKEN CARE OF, BUT SOME WITH MORE COSTS THAN THE INTEREST TO BE PAID, AND STILL OTHER QUESTIONS NEVER DID GET ANSWERED.

PAYING INTEREST, WOULD CAUSE THE PROPERTY OWNERS ALL SORTS OF PAPER PROBLEMS AND TAKE TIME, IT WOULD ALSO COST THE TENANTS MORE MONEY THAN ANY INTEREST THEY MIGHT HOPE TO RECEIVE, BECAUSE WHEN IT GETS TO THE BOTTOM LINE AND ITS NOT BLACK, WE ALL WILL LOSE OUT.

THE PROBLEM WITH THIS BILL AT PRESENT IS: I DON'T UNDERSTAND WHY BUT, RESIDUE ON THE INTEREST FROM THE ORIGINAL BILL IS STILL PRESENT IN PLACES, THUS CREATING MORE PROBLEMS YET. BECAUSE OF THESE PROBLEMS PLEASE VOTE NO ON HB 767.

HOWEVER IF YOU FEEL HB 767 HAS SOME MERIT, PLEASE CONSIDER THE FOLLOWING CHANGES:

PAGE 2 LINE 11 REMOVE THE UNDER LINED.

AND ACCRUED INTEREST OR ITS EQUIVALENT

PAGE 2 LINE 22 REMOVE THE UNDER LINED.

"YEAR" MEANS A CONSECUTIVE 12-MONTH PERIOD"

THIS SENTANCE NOW HAS NO REASONING OR BELONGING.

PAGE 4 LINE 21 REMOVE THE UNDER LINED.

AND ANY INTEREST DUE UNDER SECTION 6

PAGE 4 LINE 21 CHANGE THE 7 days TO READ 10 days

THIS THEN WILL CONFORM WITH LINE 17 ON PAGE 5.

PAGE 8 LINE 13, 14 & 15

DELETE THE LAST HALF OF LINE 13 STARTING "AND INTEREST BEGINS..."

DELETE ALL OF LINES 14 and 15.

THANK YOU FOR YOUR TIME AND CONSIDERATION AND PLEASE VOTE NO, OR AT LEAST CLEAN UP THE BILL IF YOU VOTE YES.

RESPECTFULLY YOURS,

Vern L. Fischer

VERN L. FISCHER

SENATE BUSINESS & INDUSTRY
EXHIBIT NO. 4
DATE 3/18/91
BILL NO. HB 767

3/18/91

Senate Business & Ind. Committee:

As President of the Bozeman Chapter of the Montana Landlords association I join all of our Association members in opposing H.B. Bill 767 in that it mentions several times, "interest or its equivalent" and Section 6, as it was rewritten.
Please move to ammend out all reference to interest in this bill as it would bring severe hardships to us as landlords. The interest on deposits in this bill was ammended in the House by Rep Measure to remove the interest Sect. 6 but in their rewriting Rep measure has unfortunately kept in some mention of the interest in hopes of filling in the blanks later on.
If you cannot amend this bill to remove the "interest" wording then please Kill this bill in its entirety and let us work on it for the next legislative session

Thank you,

Dan Wood
Pres. Boz. Landlords Assn.
44 Sundance trail
Bozeman, Mt
59715
586-7716

MARCH 12, 1991

SENATOR
LORENTS GROSFIELD

I object very strongly to Senate bill 767 dealing with interest on tenants rental deposits.
This bill will place an unreasonable and unnecessary burden on landlords by requiring them to find a Bank or Loan CO. that would handle this type of account.
At the end of the year the landlord would be required to submit to the IRS and the State Department of revenue a 1099 form which would require an unnecessary amount of paper work and expense to the Landlord.
Please state your position on this issue in your reply.
Thank You:

LeRoy R. Davis.

LeRoy R. Davis
625 N. 12th.
Livingston, MT. 59047

106 Percival Path
Bozeman, MT 59715
March 18, 1991

Dorothy Eck,
Montana State Senator
Helena, MT 59601

Dear Dorothy:

We are opposed to the present wording of Bill #767. We would like you to remove all reference to "INTEREST" in this bill.

Sincerely,

James L. Traucht
Nancy Eloise Traucht

James L. Traucht
Nancy Eloise Traucht

King Arthur Park

81 Gallahad Way
Bozeman, MT 59715
(406) 587-5151
(406) 586-4129

March 18, 1991

Senator Dorothy Eck
Helena, MT

Dear Mrs. Eck:

This is to express our opposition to the Bill #767 as it is now stated. We would ask to you remove all wording to do with INTEREST in this bill.

Sincerely,

James Traucht

James L. Traucht, Manager

JLT/et

MARCH 16, 1991

SENATE BUSNISS & INDUSTRY COMMITTEE

DEAR COMMITTEE MEMBERS,

I OPPOSE ANY INTEREST MENTIONED OR REFERENCED IN HOUSE BILL 767.

RESPECTFULLY,

JON L. ILSLEY

ADDRESS: 1527 W. KOCH APT A
BOZEMAN, MT 59715

PHONE: 406-587-8845

1509 Wildflower Way
Bozeman, Mt 59715
14 March 1991

Senate Business and Industrial Committee
Montana State Capitol Building
Helena, Mt 59772

Dear Sirs,

This is to inform you that we, as landlords in the Bozeman area, are opposed to House Bill #767, which is under consideration in the Senate at this time. The overseeing of rental property is fraught with more than enough frustrations in dealing with people who have all too concern about caring for the property they are renting, let alone paying them interest on their small security deposits. Granted that if interest rates were at 18% as they were in 1982 (That was nine years ago), we might reconsider our stand, but when the rates are down to 4½% as they are now (and normally continue in that range), we feel as landlords that House Bill #767 should be strongly defeated.

Yours truly,

Robert and Marjorie Jones

Mar-14-1991

Memo

From
JOHN SHADOAN JR.

To Business & Industry Comm
House Bill 767

I am very much opposed
to any intrest on rental
deposits in Bill. 767

John W Shadoan Jr.
10281 Kelly Canyon Rd
Bozeman, Mt. 59715

WISEWAY AUTO PRODUCTS
10281 Kelly Canyon Rd.
BOZEMAN, MT. 59715
(406) 586-3490

May 15, 1991

To The Senate Business + Industry Committee:

In regard to House Bill 767.

I have been a resident of Gallatin County for 66 yrs. Having worked very hard + managed to buy enough income property to keep me independent in my "Golden Years" I'm greatly opposed to House Bill 767. I'm also opposed to any interest mentioned in Bill 767, especially Para graph - Section 6.

Sincerely
Ilene Breidenbach
E Ilene

2/14/91

Dear Sir:

I'm in opposition to interest on deposits that is in HB 767. It will only make more bookwork + expense tax wise and ultimately gets passed along to the renter so what good does it do anyone I would like to know.

How will a tenant benifit from this when he has to pay for it? There will be no net gain for anyone. No one works for nothing but the added work will give accountants work that the tenant will pay for! They lose!

Jerry Swenson
406-388-6095
6071 Jackrabbit Lane
Belgrade, Mt. 59714

WALTON E METIER
1013 S BOZEMAN APT 5
BOZEMAN MT 59715

Mar. 15th 1991

To Senate Business & Industry Comm.

Sirs:

Section 9 Bill 767 regarding Int. on Deposits.

I am against the Interest proposal. Have only three rental apts.

Sincerely,
Walton E Metier.

Century 21
BOZEMAN REALTY, INC.
625 North 7th Avenue
Bozeman, Montana 59715
Business (406) 587-4538
Residence (406) 587-7949

BOB KERN
Broker

Each Office is Independently Owned and Operated

March 13, 1991

Dear Sen. Lynch,

Re: HB767 & HB768. How would it be possible to figure a % of interest that landlords would be assured of receiving? What basis would be used: c.d rate, open rate, money mkt., etc? It would be difficult to figure & would it be worth the time?

HB768 would have been fought very hard by your mother. We worked with her on her duplex mgmt in Bozeman and she strongly felt she had the right to choose & evict tenants. I agree with her.

Respectfully, Bob Kern.

14 March 1991

Senate Business and Industry Committee

Honorable Committee Members:

We are opposed to any interest mentioned in House Bill 767 especially that referred to in section 6.

The requirement for interest in HB 767 creates an additional paperwork requirement for landlords to track and monitor. This coupled with the requirement to process and file the IRS 1099-INT will increase operating costs as a direct result of HB 767. This increased operating cost will probably be passed on to tenants through rent increases which may cost more than is made on interest.

We solicit your support to eliminate the reference to interest in HB 767.

Sincerely,

Thomas W. Harrington

Twila M. Harrington

KEN FULLER
817 WEST STORY ST
BOZEMAN, MT 59715

MARCH 14, 1991

RE: OPPOSITION TO HB 767

MONTANA STATE LEGISLATURE
SENATE COMMITTEE
BUSINESS AND INDUSTRY
HELENA,MT 59601

THIS LETTER IS TO REGISTER MY OPINION
AGAINST BILL 767!!!

THIS BILL PLACES UNREASONABLE RESTRICTIONS AND BURDENS ON THE LANDLORD. FREE ENTERPRISE IN THE RENTAL INDUSTRY HAS ALREADY BEEN CONTAINED BEYOND FAIR BUSINESS PRACTICES. THIS BILL ADDS UNREASONABLE TIME AND BOOKKEEPING RESTRICTIONS WITH NO BENEFIT TO THE LANDLORD AND LITTLE TO THE TENANT.

IF BILLS SUCH AS THIS CONTINUE IN MONTANA, THERE WILL BE NO PRIVATE RENTAL BUSINESS WITHIN THE STATE.

PLEASE LET ME KNOW WHAT I CAN DO TO HELP DEFEAT THIS BILL AND OTHERS LIKE IT.

SINCERELY,

Ken Fuller

KEN FULLER,
MONTANA LANDLORD
A VOTER

March 12, 1991

Senate Business and Industry Committee
Montana State Capitol
Helena, MT

Dear Committee Members:

We oppose House Bill No. 767, section 6, regarding interest on security deposits. We also oppose any rewording/additions requiring payment of interest on security deposits. We feel this will cause too much additional time and paperwork (1099 and 1096 forms) for the landlord. The amount of money involved is minimal---many banks don't even pay interest on savings accounts of small amounts and they are in the saving and loan business. Our business is providing housing, --- not paying interest.

Sincerely, Dan & Tara Eddy

Dan and Tara Eddy
604 South 9th
Livingston, MT 59047 222-6606.

Gallatin Manor, Inc.

1806West Beall Street
Bozeman, Montana 59715
093-44012 NP
MT 99-M000-033

March 13, 1991

Senate Business and Industry Committee

Re: H.B. 767

Dear Senators,

I manage a 64-unit complex for lower income families. I am opposed to any interest on a security deposit to be returned to the tenants. The costs for administration would exceed the money returned to the tenants, therefore,the rent would have to be raised to cover the additional costs.

Thank you for your consideration.

Larry Smith
Administrator
Gallatin Manor, Inc.

LS/bh

March 14, 1991

Senate Business and
Industry Committee

As small business owners in Gallatin County we are in opposition to House Bill 767. We respectfully request that you table or kill this legislation. Deposits we assess are nominal and seldom if ever cover property damages which frequently occur. Deposits we require are intended as an incentive to our tenants to encourage only reasonable maintenance of rented spaces, plumbing, and electrical hook-ups.

Mr. & Mrs. Glen Hargrove
Hidden Valley Mobil Estate #27
Bozeman, Montana 59715

Mrs. Glen Hargrove

BOZEMAN MEDICAL ARTS CENTER
MANAGEMENT OFFICE: SUITE 10 - LOWER LEVEL
300 NORTH WILLSON BOX 577 BOZEMAN, MONTANA 59715
(406) 586-0266

March 13, 1991

Business & Industry Committee
Capitol Building,
Helena, Montana

TO WHOM IT MAY CONCERN:

I am opposed to interest on deposits/ last months rent as relating to rental property as part of lease agreement.

The extra cost to the landlord far exceeds any possible return to a tenant. Most Rentals are of a residential nature and for short periods of one year or less; and seldom exceed 2-3 year period. The triggering of a 1099 and other reports is not practical.

During the past 2 years inflation has been 4% and 5.8% respectfully and charges levied against landlords by all types of Government, has in my case been absorbed by me.

Further eroding of present minium profit will certainly trigger my re-writing my leases to increase with each increase, no matter how slight such as Water, Garbage, Tree Trimming, Taxes, Ins. Ect.

I trust you agree in not supporting such legislation.

Respectfully,

Donald F. Nell, Acting Manger,
Bozeman, Medical Arts Center &
Buronepe Co.,
Box 577
Bozeman, Montana, 59715

Copy to: Montana Landlords Assoc.,
Bozeman Chapter.

422 SOUTH NINTH AVE
BOZEMAN, MT 59715

MARCH 14, 1991

RE: OPPOSITION TO HB 767

MONTANA STATE LEGISLATURE
SENATE COMMITTEE
BUSINESS AND INDUSTRY
HELENA,MT 59601

THIS LETTER IS TO REGISTER MY OPINION
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IF BILLS SUCH AS THIS CONTINUE IN MONTANA, THERE WILL BE NO PRIVATE RENTAL BUSINESS WITHIN THE STATE.

PLEASE LET ME KNOW WHAT I CAN DO TO HELP DEFEAT THIS BILL AND OTHERS LIKE IT.

SINCERELY,

C. V. FULLER
A MONTANA LANDLORD
A VOTER

March 14, 1991

Senate Business & Industrial Committee

To Whom It May Concern:

We are opposed to HB767, Section 6 and any other mention of Interest.

Sincerely,

Mr. & Mrs. Larry G. Grantier

Mr. and Mrs. Larry G. Grantier
1309-1/2 South Willson
Bozeman, Montana 59715

March 14, 1991

Senate Business & Industrial Committee

To Whom It May Concern:

We are opposed to HB767, Section 6 and any other mention of Interest.

Sincerely,

Gordon O. Klofstad

Mr. and Mrs. Gordon O. Klofstad
515 North 15th Avenue
Bozeman, Montana 59715

March 14, 1991

Senate Business & Industrial Committee

To Whom It May Concern:

We are opposed to HB767, Section 6 and any other mention of Interest.

Sincerely,

Lewis & Nancy Burton

Mr. and Mrs. Lewis L. Burton
1621 South Black Avenue
Bozeman, Montana 59715

414 SOUTH NINTH AVE
BOZEMAN. MT 59715

MARCH 14. 1991

RE: OPPOSITION TO HB 767

MONTANA STATE LEGISLATURE
SENATE COMMITTEE
BUSINESS AND INDUSTRY
HELENA.MT 59601

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SINCERELY,

K. T. WIDMER
MONTANA LANDLORD
A VOTER

March 14, 1991

Senate Business & Industry Committee
Capitol Building
Helena, MT 59620

Committee Members:

Please vote against HB 767, the landlord/tenant bill. This bill deals very poorly with the issue of interest payments on security deposits collected by rental property owners. The effort required from landlords to administer this situation is unreasonable and will only result in worse landlord tenant relations and increased rents to cover costs.

Thank you for giving this you serious study and consideration.

Sincerely,

Eric Johnstone

Eric Johnstone
614 No. Grand
Bozeman

14 March 1991

Senate Business and Industry Committee

Honorable Committee Members:

We are opposed to any interest mentioned in House Bill 767 especially that referred to in section 6.

The requirement for interest in HB 767 creates an additional paperwork requirement for landlords to track and monitor. This coupled with the requirement to process and file the IRS 1099-INT will increase operating costs as a direct result of HB 767. This increased operating cost will probably be passed on to tenants through rent increases which may cost more than is made on interest.

We solicit your support to eliminate the reference to interest in HB 767.

Sincerely,

Calvin P. Nelson Teri Nelson

Calvin P. Nelson Teri Nelson

INSURANCE PIONEERS • ESTABLISHED 1880

WAITE & COMPANY

P.O. Box 430 • 140 E. Main Street
Bozeman, Montana 59771-0430
(406) 586-3351

March 13, 1991

Senate Business & Industry Committee
Capitol Building
Helena, MT 59620

Dear Committee Members:

This letter is in reference to HB 767. As written, this bill presents a very unsatisfactory method of dealing with the issue of interest payments on security deposits held by landlords.

Please vote against this bill and work toward a better resolution to the interest/security deposit issue. I feel that Mr. Larry Whitt and Mr. Dan Wood, lobbyists for the Montana Landlords Association, can provide you with much more reasonable wording in this regard.

Thank you for your consideration.

Sincerely,

Tim Fitzgerald

Tim Fitzgerald
East Main Partners

INSURANCE

March 14, 1991

Senate Business & Industry Committee
Capitol Building
Helena, MT 59620

Committee Members:

As a rental property owner I am very concerned about HB 767. The way this bill is written concerning the payments of interest on security deposits held is very damaging to the rental housing industry. The costs and time burden to administer this scenario as written is excessive. Please vote against this bill and work to write a more reasonable solution to this issue.

Thank you

Frank Schledorn

Frank Schledorn
1208 No. 8th
Bozeman, MT 59715

417 S 9th
BOZEMAN, MT 59715

MARCH 14, 1991

RE: OPPOSITION TO HB 767

MONTANA STATE LEGISLATURE
SENATE COMMITTEE
BUSINESS AND INDUSTRY
HELENA,MT 59601

THIS LETTER IS TO REGISTER MY OPINION
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PLEASE LET ME KNOW WHAT I CAN DO TO HELP DEFEAT THIS BILL AND OTHERS LIKE IT.

SINCERELY,

Michael T. Peterson
MONTANA LANDLORD
A VOTER

March 14, 1991

Senate Business & Industrial Committee

To Whom It May Concern:

We are opposed to HB767, Section 6 and any other mention of Interest.

Sincerely,

Mr. and Mrs. Robert G. O'Driscoll
46 Hitching Post Road
Bozeman, Montana 59715

MARCH 14, 1991

SENATE BUSINESS AND INDUSTRY COMMITTEE
CAPITOL STATION
HELENA, MT 59602

DEAR MEMBERS OF THE COMMITTEE,

I WOULD LIKE TO EXPRESS MY OPPISTION TO PARTS OF HOUSE BILL 767. I OPPOSE THE SECTIONS OF HOUSE BILL 767 WITH REGARDS TO INTEREST ON DEPOSITS. FROM MY EXPERIENCES WITH RENTERS IN A UNIVERSITY COMMUNITY, THE MAJORITY OF TENANTS STAY FOR APPROXIMATELY NINE MONTHS WHICH COINCIDES WITH THE SCHEDULE OF THE UNIVERSITY. THEREFORE, THEIR STAY IS SLIGHTLY LONGER THAN THE MINIMUM TIME OF SIX MONTHS. IN MOST CASES I FEEL THE TENANT WILL ALSO FALL BELOW THE MINIMUM DOLLAR AMOUNT. THE CONCLUSION WILL BE ALOT OF PAPER WORK FOR THE LANDLORD THAT AS PAST EXPERIENCE HAS SHOWN, WILL NOT COME TO BARE A NOTICEABLE ECONOMICAL GAIN FOR EITHER PARTY. I URGE THIS COMMITTEE TO AMEND OUT THE SECTIONS DEALING WITH "INTEREST ON DEPOSITS."

SINCERELY,

T. Bret Haggerty

T. BRET HAGGERTY
P.O.BOX 1754
BOZEMAN, MT 59771

LAWRENCE TRUST
Property Management

March 14, 1991

Business & Industry Committee
State Senate
Helena, Montana

Gentlemen:

It is my understanding that there is a bill before you, HB767, which would require interest being paid to tenants on all security or other deposits collected.

I want to go on record that I strongly oppose such legislation or part of legislation enacting interest payments. Bookkeeping and reporting requirements would be onerous for us. This would add to our monthly costs in an already very tight operating margin.

Please help Montanans with good legislation--not burdensome legislation.

Sincerely,
Kaylie Utter
Michael Utter
Kaylie & Michael Utter
210 Cirque Drive

P.O. Box 3051, Bozeman, MT 59772
Phone: (406) 587-3635

3/15/91

Norm Wallin
House of Representatives
Helena, MT

Dear Norm:

Through our local chapter of the Montana Landlords Assoc., I have gotten sufficient information to comment on two House bills of direct concern to me as a landlord.

H.B. 767, requiring landlords to pay interest to tenants on deposits, appears to be a justified proposal. If paying interest as defined in the bill was all that was involved, then I would have little objection. Unfortunately, that is not the case. Paying interest leads to considerable paper work because deposits would have to be segregated in accounting(and probably in banking) and IRS requirements would have to be satisfied. This means additional work. Since 'time is money', I would have to raise rents to compensate not only for my time in record keeping, but likely to cover any additional time costs incurred by my income tax preparer.

If H.B. 767 became law, I would have the option of not requiring a deposit. However, experience shows that a deposit is a very real incentive to the renter to take care of the rental unit and to leave it clean.

H.B. 768, as I read it, has two problems. One is that it does not adequately solve the eviction for cause problem which exists now, in that under present law the renter can use various strategies to remain in a unit for an extended time without paying rent, and costing the landlord considerable in eviction notice and court costs.

The other problem is Sect 10. As written, this would, it seems to me, require a fairly constant level of 'snoopervision' just to document to the Section's requirements for eviction. The 'snoopervision' would require a high level of documentation by various means over the period of rental, thus more 'time is money'.

I strongly oppose both laws as written.

Respectfully,

Gene F. Payne
3211 S. 19th Rd
Bozeman, MT 59715

415 So 8th

BOZEMAN. MT 59715

MARCH 14. 1991

RE: OPPOSITION TO HB 767

MONTANA STATE LEGISLATURE
SENATE COMMITTEE
BUSINESS AND INDUSTRY
HELENA.MT 59601

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SINCERELY.

MONTANA LANDLORD
A VOTER